RESPONSE TO EXAMINER'S REJECTION FOR OBVIOUSNESS

SUMMARY

The Examiner in detailed Action dated January 26, 2004 describes rejection of patent claims contained in application No. 09/945, 467 as being "obvious" within the definition established by U.S.C. 103(a) whereby the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains.

The U.S. Patent Office, in Business Methods Patents, Page 8, has established several requirements for its examiners to fulfill in finding obviousness, which are pertinent to the above application. These are shown below:

> (5) why the combination of those teachings would have been obvious to one of ordinary skill in the art at the time the invention was made. Do not recite the disclosure of the prior art which reads on the claimed invention as the motivation. Communicate why the references themselves, the knowledge of one of ordinary skill in the art, or the nature of the problem to be solved establishes a motivation to combine the prior art references.

Once applicant has presented rebuttal evidence, examiners should reconsider any initial obviousness determination in view of the entire record. All the proposed rejections and their bases should be reviewed to confirm their correctness. Only then should any rejection be imposed in an Office action. The Office action should clearly communicate the Office's findings and conclusions, articulating how the conclusions are supported by the findings.

The statement "Do not recite the disclosure of the prior art which reads on the claimed invention as a motivation" would appear to be ignored by the Examiner in finding obviousness, by using he applicant's claims descriptions to identically describe the citation findings supposedly within the scope of the seven patents of others used for comparison, thereby finding no differences, which is not a supportable conclusion..

The statement, "Communicate why the references themselves, the knowledge of one of ordinary skill in the art, or the nature of the problem to be solved establishes a motivation to combine the prior art references", is also in direct opposition to the practices of the Examiner in this application. The only communication used by the Examiner was to refer with numbers of citations to the contents of the seven patents used to prove the case of obviousness, which upon examination by the applicant, were completely lacking in meeting this requirement, if the Examiner had attempted to fulfill this requirement.

Recognition should be given to previous responses by th applicant which referred to these Examiner's practices, and apparently weren't reconsider d, as they weren't rebutted, in meeting th Department's requirement..

.
These apparent violations of the Department's requirements would justify the dismissal of obviousness for this application

Additional considerations are summarized below, within the objectives of proving non obviousness.

DIFFERENCES BETWEEN THE CLAIMED INVENTION AND THE CLOSEST PRIOR ART

No significant differences have been established by the Examiner, in conforming to the above requirements, either by groupings of the cited patents, or by individual patents..

Upon applicant's examination of the :four groupings of the seven patents, conceived by the Examiner, there was no justifiying of these groupings by the Examiner, or found in their contents.

One may assume that the Examiner is obliged to recognize and understand the extent of knowledge of ordinary skills and prior art in the form of 38 or more normal functions of purchasing which should be largely evident in the group of patents cited, This was brought to the attention of the Examiner in demonstrating that of these 38, only 6 components were identified as assignable in part, without considering the unique features of the applicant's One Page Purchasing System, which creates a total new system combining new and existing resources to replace seven different documents and eliminate eight purchasing verifications, with none of these benefits being provided within the seven patents. Such a recognition and understanding by the Examiner was not evident in the rejections received.

For further confirmation of the total inadequacy of the seven patents to evidence obviousness, the applicant carefully examined 101 citations to these seven patents and found NO cases of significant similarity in support of .obviousness. The Examiner, in using the applicant's readings of the applicant's claims, for the patent citations makes it necessary for the applicant to prove that the applicant's readings repeated by the Examiner are not supported by her citations, as proven in the attached.section of 40 pages.

In addition, the applicant's findings may be used to directly compare the Examiner's patent citations with the applicant's claims.

LIMITATIONS OF PRIOR ART AND ORDINARY SKILLS

Scope

Applicant's One Page Purchasing System centers around claim 17, summarizing replacement/elimination of 15 major purchasing actions, with the electronic procedures to achieve these benefits. Examiner cited 3 patents to find obviousness over the applicant's application. One being a method of finding catalog sources from which to make purchases. The other two facilitate payments to vendors by attaching a form on the invoice for purchaser to sign and return.

A catalog resource program, such as cited by the Examiner for Wiecha could be one of the many steps to be considered in formulating a total One Page Purchasing System having more than 38 steps, requiring individual programs to be consolidated as a new total system. However, this limited item isn't worthy of visualizing recognition of the total One Page Purchasing System with all of its ramifications, for considering obviousness..

The other two forms of invoicing, for Thomson and Josephson were proposed for the vendors who's interests were directed to making sales and not purchasing, and on collections of receivable, therefore such a stretch of visualization to a One Page Purchasing System can't possibly have any creditability for a sales organization. A call to the Institute for Supply Management, which is a leading association in purchasing, confirmed applicant's understanding that these two systems have never been commercially successful, even as a sales program..

Examiner's previous efforts to prove anticipation through use of another group of patents was withdrawn by the Examiner upon evidence produced by the applicant.

Reliance of the Examiner on the chain effect of joining three links in proving obviousness is subject to total failure upon the break in one of the links, which is the case here, and can only result in a decision for non obviousness.

There is no further significant support offered by the Examiner for prior art in proving obviousness, therefore the conclusion can only be non obviousness.

Skill

One of the prerequisites for exhibiting skill in recognizing obviousness is in their association with the trade. The limited and lack of related experience noted above also limits the skills to be recognized. The Examiner has not produced any evidence of new claims by these inventors to stablish their obviousn ss during th several years intervening between their patents and the applicant.'s filing., Th Examiner has shown

7

no proven statements from citations that a skill is evident to support finding obviousness.

RESPONSE TO EXAMINER'S REJECTION FOR OBVIOUSNESS

The Examiner in Detailed Action dated January 26,2004 describes rejection of patent claims contained in application no. 09/945,467, as being "obvious", within the definition established by U.S.C. 103(a) whereby the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains.

The Examiner, in not finding such an individual, has the option of combining the resources of several persons, as a hypothetical model to fulfill this objective, which resulted in selecting seven inventors, using their specified patent segments chosen and cited as evidence of their ordinary skills.

These inventors and patents, with dates filed, are shown below:

Wiecha	5,870,717	1995
Thomson	5,121,945	1990
Josephson	4,974,878	1988
Johnson	6,023,683	1994
Ivanov	5,706,452	1998
Walker	5,794,207	1996
Barnes	5,970,475	1997

The Examiner has stated in this Detail Action (pages 6-26) a description of these segments of each patent which she has interpreted as being obvious over the claims of the Applicant and has cited those sections of the above patents which support her statements.

The applicant in reviewing these citations finds that they do not support the Examiner's statements and therefore the statements cannot be properly used for finding obviousness.

The following sections will repeat the Examiner's statement, with her references of citations, a copy of the actual items cited and the applicant's disclaimers of any support of these citations to the Examiner's statements.

Applicant's claims 17, 20,24, 27-28 have been grouped for unknown reasons and are rejected over Wiecha, Thomson et al, and Josephson

Examiner states, "Wiecha teaches an Electronic Commerce system for procuring goods/s services by a number of users within an organization from a number of vendors, consisting of a document traveling electronically b tween participants of the system, and an l ctronic purchas r's system to introduce ach One Pag document to the system of serving these purchasing functions, progressively moving the document to the participants, following each step or tracking to recognize actions completed, verifications complet d, actions ne ded, and sending or forwarding the document to the next action location, and a follow up or tracking system". (In making this statement,

the Examiner had full knowledge of the seven documents to be re[;aced, and the eight verifications eliminated by use of the applicant's One Page Purchasing System serving normal purchasing functions.).

 Examiner states, "Wiecha teaches an Electronic Commerce System for procuring goods/services by a number of users within an organization, from a number of vendors (Fig. 6, Fig. 7, column 3, lines 54-61)
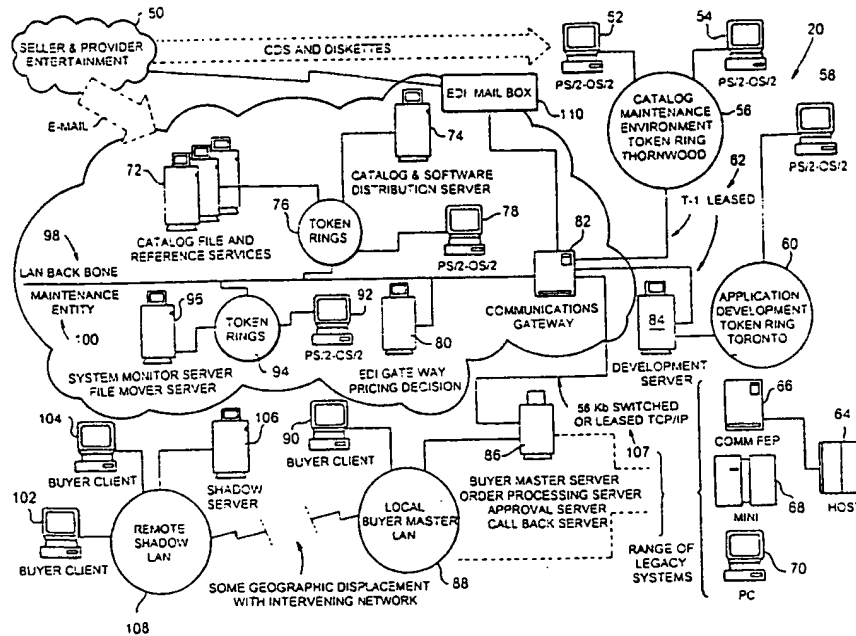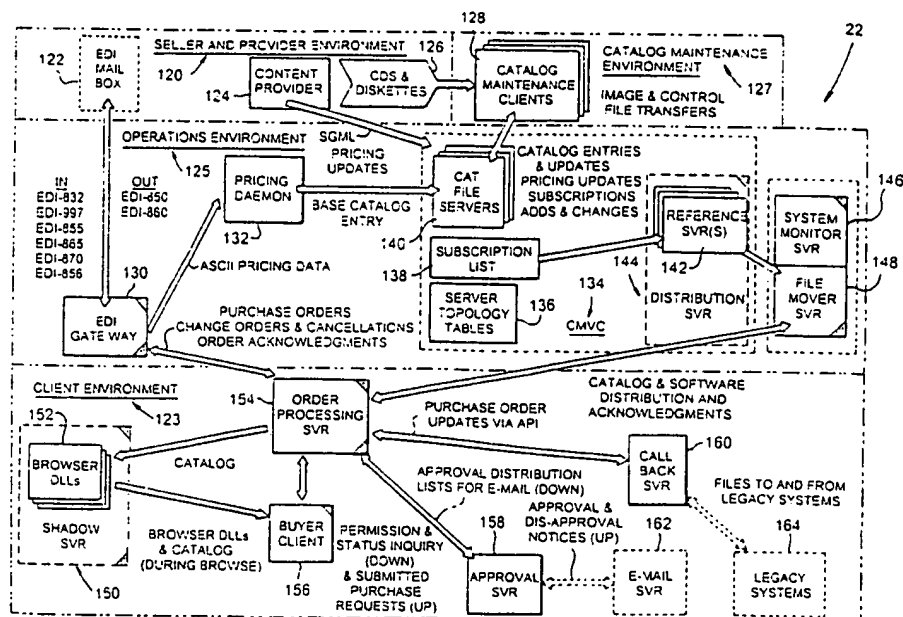
Figure 6

Fig. 6

Figure 7

Fig. 7

10

Column 3, lines 54-61

The two ends of this automated solution, the supplier side and the buyer side, may be brought together by means of a computer network and associated service offerings. FIG. 6, shows an overall network topology 20 or the initial implementation, with the three major pieces (supplier, buyer and Network Central) clearly distinguished. Suppliers 50 provide e-mail directly to the maintenance entity 100 and to the communications gateway 82 via an EDI mail box 110.

Applicant's Disclaimers

Examiner describes a one page purchasing system by Wiecha, whereas the above citations limit Wiecha's system to securing catalog data for use in preparing a purchase order

Examiner continues, "consisting of a document traveling electronically between participants of the system, (Weicha: column 2, lines 12-19, column 7, lines 64-65, column 8, lines 8-21, column 9, lines 46-52)

Column 2, lines 12-19:

2. Software that controls the flow of a purchase order through an enterprise's procurement procedures.

The preferred embodiment of the above software and related manual processing minimizes data storage require-

Column 7, lines 64-65

Colum 8, lines 8-21

a master buyer server comprising a third computer system located within an enterprise containing (1) program code comprising an order manager and a purchase order workflow which takes purchase orders from one ore more end-user computers and and controls their flow through the enterprise's business processes before transmitting them over a network to the supplier; and (2) a purchase order data base.

\\

2. A shadow catalog server , 331 (FIG. 12-2) with disk storage that can be accessed over a LAN by one or more end-users' computers, the disk storage being used to hold one or more electronic catalogs 328 and program code 331 to enable browsing of the catalog and transmitting purchase orders to the "buyer master server" 324;

3. A "master buyer server" 324 (FIG. 12-3), which is a computer system within the enterprise containing (1) program code (described below) which can take purchase orders 332 from one or more end-user computers and control their flow through the enterprise's business processes, as described under "Workflow" below, before transmitting them over a network to the supplier via the Maintenance Entity 320 and (2) a to a Purchase Order data base 322 that can be accessed over a LAN 326.

Column 9, lines 46-52

Electronic PO

This is to forward the purchase orders electronically to the vendors via the EPS. system. Data includes type of transaction, required data as defined by EDI standards for a 850 PO such as PO number, date, name & address, customer ID, customer master record for shipping and billing information.

11

Applicant's Disclaimers

In the above citations, the Examiner fails to recognize that Wiecha's system is confined to completing just one document, a purchase order traveling just between the participants in the purchasing functions at the buyer's location, before it is sent to the vendor..This would require the additional use of individual purchase confirmations, shipping documents, invoices, statements and check payments, and not just the one document for all these purchasing functions, as stated by the Examiner..

In using the above citations, the Examiner fails to recognize that Wiecha's scope of the purchasing participants is limited to those involved in producing information for a purchase order, and does not include those participating in securing the order, confirmation, receiving the items ordered, approving payment, arranging payment and sending payment, included by the Examiner's statement. (later in the Detailed Action, this omission is acknowledged)

Examiner continues:

"consisting of " an electronic purchaser's system to introduce each One Page document to the system of serving these purchasing functions, progressively moving the document to the participants, following each step or tracing to recognize actions completed, verifications completed, actions need, and sending or forwarding the document to the next action location, and a follow up or tracking system:" (Wiecha: column 7, lines 9-16, 40-45, column 12, lines 39-67, column 13, line 26 to column 14, line 2)"

Column 7, lines 9-16, 4045

Filemover enables the EPS to:
   Move files of any size and takes care of splitting and reassemblying the files when the underlying communication software has a limitation on the file size.
      Verify and confirm both file movement and ability to move files (e.g., checks disk storage).

12

Approval workflow is controlled by the Approval Manager residing in the Purchase Server in the customer's site. This workflow of the purchase orders between the customer and vendors is enforced by a PO approval process defined by the customer. Its functions include:

Keep track of a PO's approval status from the moment a purchase requisition is generated. Appropriate actions are taken to forward the purchase requisition to the predefined approvers to be approved or rejected.

Interface with the customers' electronic mail systems to post approval notifications for the necessary action by designated PO approvers.

Provide separate ITS client application to allow PO approvers to approve purchase requisitions directly from within the EPS system rather than from the external email system.

Approval Policy Configuration

Set up Lotus Notes DB to specify approver hierarchy.

Use of REXX code to customise approval hierarchy.

Approval Data

Store approval data for POs in DB2/2 PODB;

Store list of approvers in Lotus Notes;

Entry point API (call-out) to support accessing approvers from external systems.

Approval List Generation

Print approver Lists from Lotus Notes;

View approver Lists from Lotus Notes;

Column 12, lines 39-67

column 13, line 26 to Column 14, line 2.

PO Workflow

The flow of the purchase order through an enterprise's approval and other financial processes varies with each enterprise. The disclosed system contains workflow logic implemented as a Finite State Machine. This is a table specifying how the system is to change state in response to specified inputs, and what actions it should take when each transition takes place. Such a table can be easily tailored to fit the needs of a particular enterprise. Application Program Interfaces (APIs) in the generic state transitions supplied with the system allow an enterprise to invoke and pass information to and from existing computer applications and data bases (which could include the enterprise's "legacy" purchasing system) as shown in FIG. 4 step 02.

In the preferred embodiment, The EPS Client/Server application programming interface (API) provides client applications with a set of functions and action calls to communicate with the EPS Server for managing purchase orders within the customer's environment. It can also be used by any customer applications to work with the data available from the server.

Applicant's Disclaimers

The API supports three types of client applications:

Interactive Transaction System (ITS) applications
These are clients written with the ITS toolkit and ing the ITS runtime to provide the user interface.

Non-ITS applications
These are clients that have user interfaces other than ITS.

EPS system extensions
These are ITS and non-ITS applications registered with the Purchase Order workflow of the EPS server, and can be classified into two categories:

1. EPS Monitors

Registered against a certain state in the Purchase Order workflow and are notified whenever any purchase request enters that state. The notification will be received asynchronously with the purchase request continuing within the workflow.

2. EPS Services

Registered with the EPS Server and introduce a new state in the Purchase Order workflow. They are notified whenever any purchase request enters that state, and are expected to notify the EPS Server when the specific task is completed.

API Architecture

Column 7, lines 9-16 describes the movement of software for Catalog Daemon which is used in preparing the purchasing information contained in the single purchase order, and does not relate to the many purchasing participants, communicated with and noted above,as claimed by the Examiner.

Lines 40-45, describes the movement of files described in lines 17-21 for price up-dates and purchase orders and does not relate to the many purchasing participants noted above, and claimed by the Examiner.

Column 12, lines 39-67 all deal with the approval process for the purchase order before it goes to the vendor, and do not apply to the many purchasing participants and functions noted abov , and claimed by the Examiner.

Column 13, line 26 to Column 14, line 2 " calls to communicate with the EPS Serv r for managing purchas orders with th customer's environment". Again this deals with getting the purchase order ready to be sent to the vendor and does not apply to the

many purchasing participants and functions, communicated with, as noted above and claimed by the Examiner.

The Examiner continues:

"A worksheet selected by the purchase originator when securing and preparing the document, to disclose justification of the purchase, possible supporting data, and in the case of contract orders, information on contract dates, purchases to date and past performance. (Weicha: Figure 7, Item 132, Column 4, lines 52-54, column 6, lines 29-34, column 7, lines 9-16, Column 10, lines 4-11, 23-26

Figure 7, Item 132

(see page /⍺   )

Applicant's Disclaimers

Item 132 in Fig. 7 132, is described as "Pricing Daemon" which is not identified as a worksheet, as defined by the Examiner. Figure 7 is further described as an overview of data flow between logical servers.

Column 4, lines 52-54

PROCESSING SVR 154 located in the Client Environment 123 via an EDI GATE Way 130. The Pricing Daemon 132 in turn provides pricing updates and base catalog entries to catalog file servers, CAT FILE SERVERS 140.

Applicant's Disclaimers

Collumn 4, lines 52-54, simply says that the pricing system updates the catalog servers, with no reference to the Examin r's "worksheet".

14

Column 6, lines 29-34

This ITS (Iterative Transaction Systems) application enables EPS Operations staff to:
View multiple product descriptions at a time;
Associate images with product handle;
Save, import, and create templates;
View and edit product descriptions.

Applicant's Disclaimers

Column 6, lines 29-34 says the EPS people, with the transaction system, can view the products for ordering, create copies and edit product descriptions, with no reference to the Examiner's worksheet.,.

Column 7, lines 9-16

Catalog Daemon (CATD)
This software runs in customers' servers and polls mailboxes to apply updates, and preferably monitors channels for action objects including: Images; Applications; Prices; Catalog descriptions. It preferably can Execute action specified in action object; Forward acknowledgement objects to parent; and is Used together with FileMover daemon to verify file movement.
Filemover 300

Applicant's Disclaimers

Column 7, lines 9-16 describes the software "Catalog Daemon"'s pricing actions, with no reference to the Examiner's worksheet.

Column 10, lines 4-11, 23-26

Allow client to modify other fields such as requested ship date, shipping and billing address, add comments to line items (e.g., a banking institution).
Possibly allow client to switch partnumbers, delete line items, add new line items.
Change Logging/Reporting
Changes to the POs are recorded in the logs and can be accessed by the report generation functions.

Applicant's Disclaimers

Column 10, lines 4-11, 23-26, Allows user to change and rearrange items in the purchase order, with no reference to the Examiner's worksheet.

Sort line items by column headings in the following order:
Sort numeric columns from high to low or low to high.
Sort alphabetic columns from A to Z or Z to A.
View details of line items by clicking on them.

15

Examiner continues:
"use of a plurality of terminals, work stations, servers, Intranet and Internet programs operating with "off the shelf software systems chosen from sel ctions current at th time of installing the One Pag Syst m, n cessary to operate th One Pag System" W icha; see at least Figure 4, Figure 6, Figure 7, Abstract, column I, line 57, to column 2, line 37.
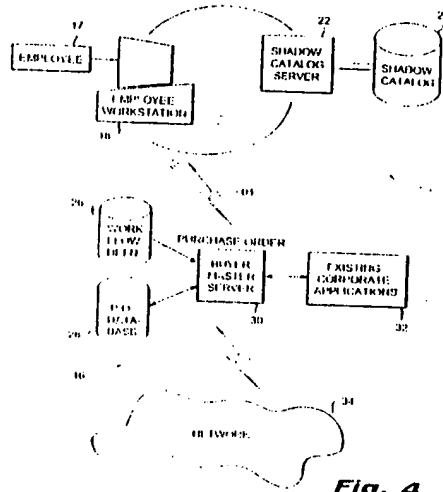
Figure 4,

Fig. 4

Applicant's Disclaimer's

Examiner fails to recognize the difference in the results of using standard forms of electronic equipment for a total One Page Purchasing system vs. using the same types of equipment used for in the limited applications for a purchase order, as cited. In addition, the difference in scope of the two ranges in requirements would necessitate different applications of electronic equipment. (see statement by John Love, Group Director of the Patent Office, in the September 2001 CFO Magazine. " The technology may not be new, but its effect is",.

Figure 6 (Shown previously)

Applicant's Disclaimer's

(see the above disclaimer)

Figure 7 (shown previously)

Abstract

[57]   ABSTRACT

Current corporate purchasing procedures are labor-intensive and therefore costly. The system enables an employee who needs an item which must be ordered from a supplier to select the item from an electronic catalog displayed on a personal computer and submit an order for approval and processing directly, by-passing both the normal paper approvals and the manual verification of the order by the organization's Purchasing department. It achieves this by means of an electronic catalog accessible from the employee's own personal computer, and a computer network and associated services linking the enterprise to one or more suppliers.

16

Applicant's Disclaimer's

(See the above Disclaimer's

Column 1, line 57 to Column 2, line 37

2

In response to this situation, we now disclose a novel system for ordering items. The system comprises:

1) means for receiving and processing images and text from a plurality of catalog content providers for creating and maintaining one or more electronic catalogs in a central location for subsequent distribution over a computer network;

2) means for receiving supplier's price and catalog changes and propagating them to one or more selected buyers over a computer network;

3) a first end-user computer system comprising user interface and able to access disk storage on a shadow catalog server;

4) a shadow catalog server which comprises a second computer system located within the enterprise whose disk storage can be accessed over a local area network by one or more end-users' computers in an efficient manner; said disk storage being being used to hold (1) one or more electronic catalogs, and (2) program code comprising a a "Catalog Browser" capable of transmitting purchase orders to a master buyer and server;

5) a master buyer server comprising a third computer system located within an enterprise containing (1) program code comprising an order manager and a purchase order workflow which takes purchase orders from one ore more end-user computers and and controls their flow through the enterprise's business processes before transmitting them over a network to the supplier; and (2) a purchase order data base.

The advantages of the novel system are appreciated by contrasting it to the prior art summarized above. In particular, the concept of corporations ordering items from suppliers over a computer network is well-established, and has led to the formalization of EDI (electronic data interchange).

The concept of consumers or end-users (the people who will ultimately make use of an item) ordering items from electronic catalogs over a (usually public) network is also well-established. Public network services such as Prodigy (tm), America On Line (tm) and Compuserve (tm) allow subscribers to their services to select consumer and household items from catalogs placed there by suppliers. The items are typically shipped to the subscriber's home, and the cost charged against a credit card. Such systems have to date only allowed the subscriber to access one supplier's catalog at a time.

Applicant's Disclaimers

(See the above Disclaimers).

SUMMARY FOR WIECHA

Examiner fails to substantiate her statements with adequate citations that Wiecha recognizes a one page system which incorporates the purchasing functions of acknowledging the order, sending and receiving shipping documents, invoices, statements and making payment, thereby progressively moving the document from one participant to another, following each step or track to recognize actions completed, verifications completed, actions needed, and advancing the document to the next action location, with a follow up system. This prohibits use of statements for obviousness.

Examiner Further States: (Page 7 in Detailed Action)

"Thomson teaches a one page electronic purchasing document or single, integrated multi-functional document, which coll ctively replaces individual paper and electronic purchase r quisitions, purchase orders and vendors: acknowl dgements, shipping notices, invoices, and statements; and successively s rves th ir identical functions , (Thomson;see at least Abstract, column 2, lines 56-67, column 4, line 63 to column 5, line 4, column 16 , line 65 to column 17, line 25)."

Abstract:

[57]   ABSTRACT

There are disclosed herein methods and systems for affecting the accounting functions of debiting and crediting a bank's account records, a payer's bank account records and a corporation's accounts receivable records with their customer's payments, and are based upon the combination of data from two or more sources to prepare an integrated document comprising an invoice (bill) and a negotiable instrument, usually a bank check. These documents form an integrated document, and contain all necessary pre-printed machine readable data and are combined to effect a variety of multi-function transactions. By combining all of the required data elements in a single document at the time of initial preparation of the integrated document, including an accounts receivable invoice and the payer's check, the requirement for subsequent redundant, labor intensive processes are eliminated. The single integrated document becomes a multi-functional document which generates the transaction to effect the customer's accounts receivable, the negotiable instrument to (i) credit the corporation's institutions account and (ii) debit the customer's financial institution's account while creating a complete audit trail and accountability at each separate processing level.

Applicant's Disclaimers

The Abstract describes a vendor's system of receiving payment from a purchaser of items by sending an invoice with a blank check attached for the convenience of the purchaser in signing and returning to the vendor. There is no evidence of the claims of the Examiner stated above. Reference to a single document in the abstract is just this conbination of a check with the invoice. The One Page system recognized by the Examiner eliminates both the invoice and the check sent by the vendor.

Column 2, lines 56-67

... automated system which would incorporate the essential elements of the current two documents used in conventional remittance systems into a single document thereby reducing the time, the labor, the documents processed, the correction procedures needed to resolve errors, and the resultant expenses of such processing is and has been desirable. Moreover, such an automated system that should preserve the characteristics and integrity of the bank check would provide the consumer and financial institution with an unquestionable high level of acceptance and widespread use, as well as significant economic gains. Such an automated system is the purpose of this invention.

18

APPLICANT'S DISCLAIMERS

Column 2, lines 56-67 describes combining the invoice and check into one document. (see above disclaimer) .

Column 4, lines 63 to column 5, line 4

Through other aspects of the process, the same system accommodates many ancillary processes, such as automated stop payment, automated return item handling, and automated overpayment reimbursement, through the use of appropriate machine readable codes. This system, which incorporates data, that has histori-

cally required two separate unique documents, into a single, multi-purpose document, provides all of the functionality of the conventional system, but in a highly efficient, economical manner.

Applicant"s Disclaimers

Column 4, lines 63 to column 5, line 4 describes the accommodations of the process of combining the invoice with a check, in the event the purchaser stops payment, or items are returned for credit. These functions don't occur with the One Page System described by the Examiner, as the One Page System is processed by the purchaser who controls any changes in payments, with the invoice and check being eliminated.

Column 16, lines 65 to column 17, line 25

The integrated document comprises a portion devoted to invoice/billing information, a portion devoted to maintenance and payment selection alternatives, and a portion devoted to a unit record for funds transfer.

17

The method of creating the integrated billing document uses data extracted from multiple sources; including, but not limited to, corporation accounts receivable files and customer and financial institution control files to produce the integrated document containing variable contents and in a variety of formats designed specifically for automated entry into the existing check clearing network without any further modification or pre-processing.

The system incorporates a combination of ingredients, including the unit record along with databases, software, computer, reading and printing technologies described herein to effect a more efficient and accurate remittance process.

The unit record incorporates multiple machine readable fonts, optionally in OCR, Bar Code or MICR, in any combination that can be automatically processed by equipment, such as IBM 3890 Reader/Sorter or Computer Entry Systems 9400 Remittance Processing terminals. A single document is used to generate multi-function automated transactions rather than multiple separate documents as used in conventional methods to effect the account posting process, the financial institutions check clearing network, the remittance processing and the return items processing.

APPLICANT'S DISCLAIMERS

Column 16, line 65 to Column 17, line 25 describes technical steps in preparing the vendor's invoice with a different check attached for each purchaser. The One Page system described by the Examiner for Thomson eliminates both these items.

Summary for Thomson

The citations for Thomson refer to the use of an invoice, with a check attached, whereas the Examiner's statement of the One Page System has no reference to either of these items, as they are eliminated in the One Page system, described by the Examiner

The Examiner continues (see Page 8)

"Josephson teaches a purchaser's payment system activated by the operation of the One Page document, arranging payment to the vendor's bank, without individual participation within the purchaser's organization (see at least Abstract, column 5, lines 44-56, column 6 , lines 29-45, 50-58, column 7, lines 61-65, column 16, lines10=27:and a system that is coupled with a time schedule for each action (column 6,line 66 to column 7, line ,5, column 16,ins 24-28)

Abstract

[57]   ABSTRACT

There are disclosed herein methods and systems for affecting the accounting functions of debiting and crediting a bank's accound records, a payor's bank account records and a corporations's accounts receivable or balance forward records with their customer's payments, and are based on the ability of a payment coupon with appropriate payor's authorization and necessary pre-printed machine readable data to create a variety of multi-function transactions. By combining all of the required data elements in a single payment coupon document at either the time of preparation or at the time of receipt of the payment coupon by the corporation, the requirement for subsequent redundant, labor intensive processes are eliminated. The single payment coupon becomes a multi-functional document which generates the transaction to effect the customer's accounts receivable or balance forward, the negotiable instrument to (1) credit the corporation's bank account and (2) debit the customer's bank account while creating a complete audit trail and accountability at each separate processing level.

Applicant's Disclaimers

The Abstract describes the vendor/creditor preparing and sending an installment payment booklet, with payment coupons, containing a payment authorization form, to a debtor, followed by the debtor signing and returning the authorization to the creditor, whereas, the Examiner's stated system eliminates these steps and has the debtor paying directly to the creditor's bank, as proc ssed el ctronically Refer nce in th Abstract to the functions of a multifunctional document would not be n cessary for the One Page System described by the Examiner..

Column 5, lines 44-56

As the payment coupons are produced, they may be organized in booklet form including front and back covers, change of address forms, change of bank forms, return envelopes, instructions, and return mail labels. They are then prepared for mailing to the corporation's (payee) customers (payors). Prior to each payment due date, the payor extracts a payment coupon from the booklet, signs the authorization, thereby creating a payment coupon that will subsequently automatically effect the appropriate funds transfer functions. The payor may choose to have the transaction processed through electronic funds transfer (ACH) means and will indicate this selection on the face of the coupon. The payment cou~

Applicant's Disclaimers
The above section describes the steps of the creditor preparing payment coupons, sending them to the payor, followed by their return and processing by the payee viia the payor's bank. None of these steps are performed by the Examiner's One Page system for Josephson, with the payor paying directly to the vendors bank,, which makes them unnecessary.

Column 6, lines 29-45, 50-58.

If the payor selects the electronic funds transfer option (ACH), an origination record is generated in the standard ACH format for subsequent transmission and entry into the funds transfer network. This allows the electronic transaction to pass through all financial institution's processes to effect the proper funds transfer functions. In addition to the required ACH data transmitted comprising payor's name, payee's name, payor's bank name and address and transit/routing number, payor's bank account number, payment date, payment amount, reference or trace number, optionally, supplemental or addendum records may be generated and passed through the funds transfer network. These additional records supply information regarding the application of the payment for example, principal balance, interest paid, balance outstanding, year-to-date interest paid and taxes paid. Dependent on the type of data processing systems employed by the payor's bank, the

Through other aspects of the process, the same system accommodates many ancillary processes, such as automated stop payment, automated return draft handling, and automated notification of paid in full loans. This system, which incorporates data that has historically required two separate, unique documents, into a single, multipurpose document, provides all of the functionality of the conventional system, but in a highly efficient, economical manner.

Applicant's Disclaimers

The above section describes a system to make installment payments by the payor through use of electronic funds transfers, upon the instigation of the payee. The Examiner's One Page system for Josephson is not predicated for installment payments and electronically anticipates payment to the vendor's bank, thereby eliminating the actions by the payee for the installment payment arrangements. In addition, the ancillary processes necessary for the cited actions of stop payments and return handling are not necessary with the Examiner's One Page system, controlled by the purchaser.

Column 7, lines 61-65

A further objective of this invention is to automatically create a preauthorized draft document or electronic funds transfer record containing all required information to enter the check clearing mechanism or the electronic funds transfer (ACH) network.   6

21

Applicant's Disclaimers

\\

Above citation describes creating a draft document or record to contain required information for installment payments.. The Examiner's One Page system for Josephson has no need for such an installment payment document or record.

Column 16, lines 10-27

The payment coupon is created with the properties to completely identify all necessary elements to completely effect the application of payments to the payee's accounting process, to generate the appropriate transaction to completely effect the depository bank's accounting process and the drawee's bank accounting process in a manner that allows the transaction to be automatically processed by all financial institutions involved in the check clearing process, upon authorization by the payor. The necessary elements include, but are not limited to, the payor's account number, the payor's bank account number, the payment amount, the payor's bank transit/routing number, the payment number, and the reference number.

The system incorporates a combination of ingredients, including the payment coupon along with data bases, software, computer, document reading and document printing technologies described herein to effect a more efficient, timely, and accurate remittance process. -

Applicant's Disclaimers

Above citation describes the benefits of using a payment coupon for the payee to control payments from the payor and permit the accounting and computer systems to effect a more efficient, timely , and accurate remittance process. System. The Examiner's One Page system is not specifically designed for installment payments, with payment coupons, therefore these steps and needs of the payee are not compatible with the Examiner's statement for Josephson.

Column 6, line 66 to Column 7, line 5

A further objective of this invention is to automatically create a preauthorized draft document or electronic funds transfer record containing all required information to enter the check clearing mechanism or the electronic funds transfer (ACH) network.

head. Through this process, it is expected that other remittance costs will be reduced through elimination of customer inquiries, more timely updating of accounts

receivable or balance forward records, lower bank clearing charges, expediting funds availability and reduced postage costs. The labor reductions are outlined below and illustrate a savings of about 50 percent over conventional processing methods.

22

Applicant's Disclaimers

Above citation describes the reduction in remittance costs in payor inquiries, expediting funds available and reduced postage costs, with a savings of about 50%. The Examiner's One Page system for Josephson does not provide for installment payments, therefore it wouldn't have any of these costs.

Column 16, lines 24-28 re. savings)

(see previous citation)

Applicant's Disclaimer
(see above Disclaimers)

Summary for Josephson

The above citations reported for Josephson disclose the payor of installment transactions making payment through use of coupons prepared and sent by the payee. This type of transaction is not part of the One Page System for Josephson, as stated by the Examiner, and would have no basis for use in establishing obviousness.

Examiner's statement of obviousness, combining f Wiecha, Thomson and Josephson

Examiner states, " It would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the Electronic Commerce System of Wiecha to include a one page electronic purchasing document or single, integrated multi-functional document which collectively replaces individual paper and electronic purchase requisitions purchase orders and vendors: acknowledgements, shipping notices invoices, and statements, and successively serves their identical functions as taught by Thomson, with the motivation of reducing the time, the labor, the documents, processed, the correction procedures needed to resolve errors and the resultant expenses of document processing , and provide the consumer and financial institution with an unquestionable high level of acceptance and widespread use as well as significant economic gain (Thomson: column 2, Lines 56-67)

It would have been obvjous to one of ordinary skill in the art at the time the invention was made to modify the collective teaching ot Wiecha and Thomson to include a purchaser's payment system activated by the operation of the One Page document, arranging payment to the vendor's bank, without individual participation within the purchaser's organization and a system that is coupled with a time sch dule for each action, as taught by Josephson, with the motivation of eliminating the requir ment for redundant, labor intensive processes, eliminating th r quirement of th r mittanc processing function to organiz , compar , handl , control and process s parate documents while providing a compl te audit trail and accountability at each processing

23

level and also providing the flexibility to tailor the payment document to specific customized requirements (Josephson; Abstract, column 5, lines 35-43)"

Applicant's Disclaimers

Thomson; column 2, lines 56-67 (see previous disclaimers)

Josephson Abstract (see previous disclaimers)

Josephson: Column 5, lines 35-43)

> tory bank. Consequently, the present invention elimi-
> nates the requirement of the remittance processing func-
> tion to organize, compare, handle, control and process
> at least two separate documents.
>   The present system and method provides the flexibil-
> ity, through data base design and program logic, to
> produce a variety of styles, fonts, quantities, formats
> and data elements to tailor the payment coupon to spe-
> cific customized requirements.

Applicant's Disclaimers

Above citation describes the benefit of combining two separate documents of the payee's installment system, whereas, the Examiner's system for Josephson applies to the purchaser and eliminates the payee's documents completely..

Applicant's Disclaimers on Total of Wiecha, Johnson and Josephson citations.

The basic system for the applicant's One Page Purchasing System is contained in Claim 17, which has been found obvious by the Examiner, over patents by Wiecha, Johnson and Johanson. The latter two, upon review of the Examiner's citations are not supportive of the Examiner's statements, as disclosed here, therefore are not properly useable for obviousness. This leaves Wiecha as a single representative of the seven patents to support obviousness of the total basic system presented by the Examiner, which defeats her objective of a grouped consensus for obviousness.

Similarly, Wiecha's citations are found to be limited to a catalog system and preparation of a purchase order, without any reference to a one page system replacing order confirmation , invoice, statement and payment process, eliminating eight points of verification, and the movement of the one page document among its users, thereby making it insufficient in scope to b considered obvious.

Failure of the Examiner to show citation support for her statements provides proof that any pr sumed evid nce of ordinary skills is further dilut d by lack of significance in the Examiner"s one page system, as disclosed here, and the capacity of the Examiner to evaluate ordinary skills for purpos s of this application.

24

Examiner continues on Page 9 of the Office Action;

Examiner states, "As per claims 20, 24, 27-28, Wiecha, Thomson, and Ivanov teach an Electronic Commerce System as analyzed and discussed above in the claim 17 rejection above wherein the vendor acknowledges the order by inserting the vendor's invoice number in the One Page document, and Emailing it back to the purchaser's s\System, thereby avoiding any problems of the vendor not having a compatible electronic signature system (Wiecha: column 7, lines 10-16, column 9, lines 60-63, column 10, lines 38-44, 50-52, column 12, lines 48-51, column 13, lines 9-11, column15, lines 12-23"

Column 7-lines 10-16

This software runs in customers' servers and polls mail-
boxes to apply updates, and preferably monitors channels
for action objects including: Images; Applications; Prices;
Catalog descriptions. It preferably can Execute action speci-
fied in action object; Forward acknowledgement objects to
parent; and is Used together with FileMover daemon to
verify file movement.
Filemover 300

Applicant's Disclaimers

Above citation describes updates and changes in the catalog Daemon data available to the user in preparing purchase orders which has nothing to do with the vendor acknowledging receipt of the purchase order on the One Page documenet.

Column 9, lines 60-63

Purchaser can update status of PO manually after receiv- 6
ing acknowledgements, status updates, etc. from vendors via
fax, phone, or mail. Changes to the PO can then be saved to
the DB2/2 database on the Purchasing Server.

Applicant's Disclaimers

Purchaser manually updates acknowledgements from vendor via, fax, phone, or mail, whereas Examiner's statement has the vendor directly acknowledging vendor on the one page document thereby providing a legal response to the order and avoiding the s parate acknowledgement with manual actions by the vendor and purchaser.

Column 10, lines 38-44, 50-52

Enables users to check current status of POs. * When
orders are placed, vendors send acknowledgements and
status messages via EDI. These are reflected in the updates
to the status of line items, with the date of the status change.
The approval status of each order or request can also be
checked.

be canceled. EDI vendors must be able to support Cancel,
Change 860 transactions and their subsequent acknowledge-
ments.

Applicant's Disclaimers

Vendor sends ind p ndent acknowl dgem nts via EDI and status messages to purchaser, requiring verification with purchase order, whereas the Examiner's statement

has the vendor placing the invoice number on the One Page document, thereby tying the acknowledgement directly to the contents of the One Page document.

Column 12, lines 48-51

> Interface with the customers' electronic mail systems to post approval notifications for the necessary action by designated PO approvers.

Applicant's Disclaimers

Above citation requires Interfacing approval documents before sending purchase order to the vendor, whereas Examiner's stated One Page procedure refers to approval from the vendor as shown on the One Page document..

Column 13, lines 9-11

> Approvers can receive email messages via an E-MAIL SERVER 162 notifying them that they need to approve

Above citation describes reminding approvers by Email to approve purchase requisitions, whereas Examiner's stated One Page procedure refers to approval of the One Page document, from the vendor, to appear on the One Page document.

Column 15, lines 12-23

> Approval List Processing
> Approvers can receive email messages via an E-MAIL SERVER 162 notifying them that they need to approve various purchase requisitions.

Applicant's Disclaimer

Above citations refer to transmission of a number of documents for several objectives, one being catalog content, another order acceptance, which would require matching the vendor's acceptance document to the original order. The Examiner's statement makes this unnecessary by the vendor placing their invoice number directly on the One Page document and Emailing it to the purchaser computer system, for electronic recognition. The programs described in the citations would not be used in the Examiner's One Page system..

Summary for Claim 20 Use of V ndor's invoice number for approval of One Page order

The above comparisons of citations given by Examiner in support of her statements of a One Page syst m, establishing obviousn ss, are not found to have any similarity , with

the resulting conclusion is that the statements cannot properly be used in identifying obviousness for the application being considered for Claim 20.

The Examiner continues on Page 9 of Action

"wherein the vendor attaches a bar code label to the outside of the order shipped, displaying the purchase document and invoice numbers, which will be used by the receiver to identify the One Page document for verification of receipt, thereby eliminating the usual shipping document (Thomson: Figure 1a, Figure 1b, column 15, line 30 to Column 16, line 10:

Figure 1a

Applicant's Disclaimers

The Examiner's citation discloses a vendor/payee invoice with an attached check to be signed by the purchaser/payor. There is no reference or indication of reference to a bar code label or shipping instructions in this document, as stated by the Examiner.

Figure 1b

Please indicate changes to your name/address:
David W. Robinson
13692 Tea House Street
Santa Ana, California 92705

For Deposit Only
To the Account of

Remittance Technology
Corporation

—87

FIG. 1b.

Applicant's Disclaimers

The citation is the back of the above check, used for check endorsement and address change., with no reference and suggested use for a bar code and delivery instructions, as stated by the Examiner.

Column 15, line 30 to Column 16, line 10

Summary of Steps

A. The system and method of the present invention can be characterized as one which involves the creation and use of an integrated billing document which includes at least two portions; namely, an invoice or bill, and a check document, each of which have printed and encoded thereon certain particular data pertaining to the payee, payer, the amount of the bill, the payer's account number and the payer's accounts receivable number. Additional data may be included such as the payee's name, payee's coded account number, and so on. The integrated billing document also may include maintenance and payment selection alternatives.

B. In creating the integrated billing document, two sources of data are combined. The first is information from the customer (payer) file, (e.g., a cable TV customer). This information includes items such as the customer's bank account number and transit/routing number, billing account number and other appropriate identifications. The second source of information includes variable information and which basically comprises the accounts receivable information for the billing company (e.g., a cable TV company).

C. The integrated billing document (FIG. 1) is created from the foregoing information (FIG. 3). This document, as noted above, includes the invoice (indicating the services performed and the charges) and the check document itself. It also can include payment options (e.g., check off blocks to pay by credit card or by personal check). This overall integrated billing document is created by a high-speed printer, such as a laser printer (FIG. 3), and includes the appropriate MICR codes and/or OCR and/or bar codes on front and back of the check document portion for bank account, accounts receivable account, endorsement and the like.

D. The customer (payer) receives this integrated billing document, reviews the same, and selects a payment option. If he selects the unit record, he then signs and dates the check document, and returns the check document in a supplied return envelope. Typically, the return envelope has a transparent window such that the return address of either the unit record or the maintenance and payments option form may be read. Additionally, information required by or enabling more efficient processing by the U.S. Postal Service may be printed on the check, payment options form or the envelope, e.g. bar code which enables machine reading and sorting. The customer does not have to fill in any other information, nor does the customer have to use a conventional check.

28

Applicant's Disclaimers

The above citation of the Examiner is a Summary of Steps, describing a billing system used by the vendor/payee to send the purchaser/payor an invoice with a check form attached to be signed and returned to the payee. No instructions are found for shipping or using a bar code label on the outside of the shipping package . Reference is found for use of a bar code imprinted on the return envelope to be used with the check, which is unrelated to the shipping and receiving process of the items ordered. There is no similarity between this citation and the statement made by the Examiner, describing Thomson's system, for obviousness, as it might relate to the application being considered. .

The Examiner continues:

"Wherein the vendor is permitted to put a "stop" on the preparation and processing of their documents replaced by the system, but continuing the use of the invoice number as identified with the One Page document, thereby saving substantial work and cost for the vendor."(Josephson: see at least Figue 8, column 6, lines 50-58, column 12, lines 10-58)

Figure 8
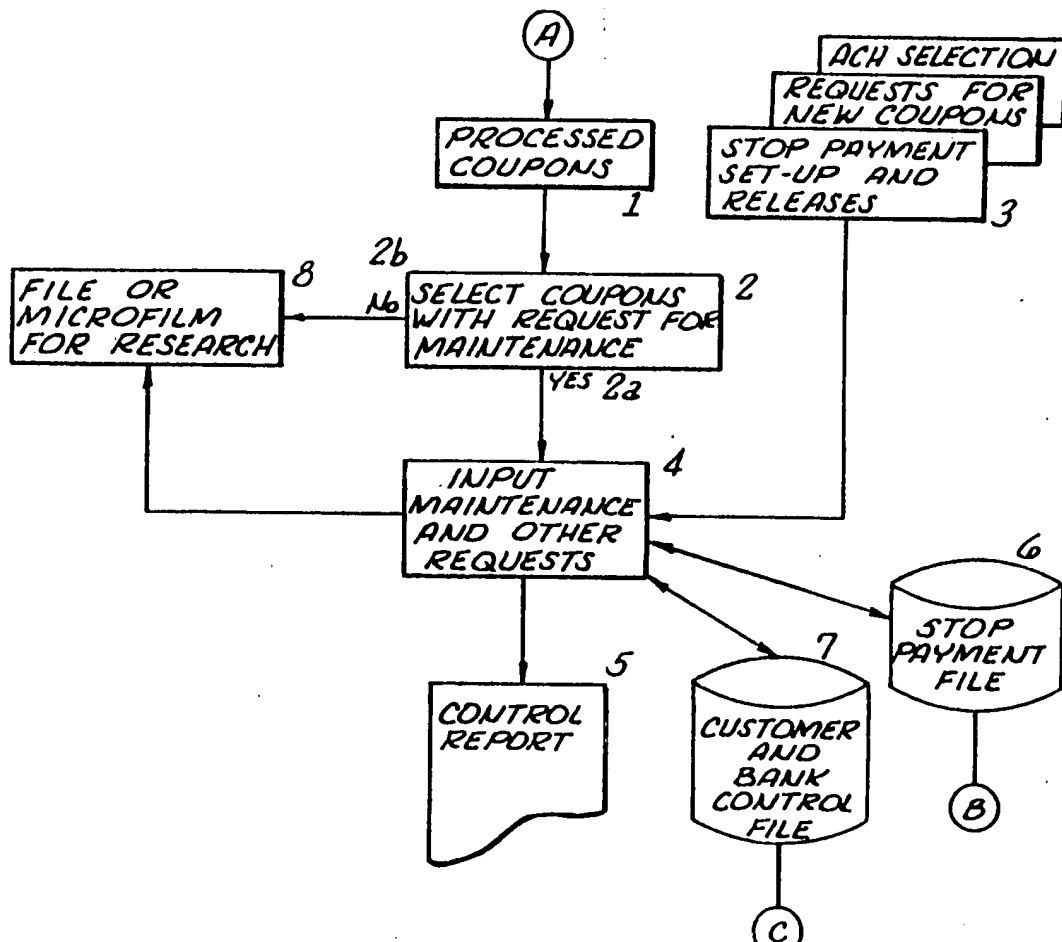
Applicant's Disclaimers

Examiner's above citation displays a chart relating to stop payments, except this reference is to stop payments of payor checks received by the payee, which have been stopped by ty the payor, whereas the "stop" included in the Examiner's statement is to put the vendor on notice that they no longer need to prepare shipping notices, invoices, statements and process payment received, as all these functions are to be performed by the operation of the One Page Purchasing system, carried out by the purchaser. There is no similarity of concept between these two function, and therefore no reason to find obviousness.

Column 6, lines 50-58

Through other aspects of the process, the same system accommodates many ancillary processes, such as automated stop payment, automated return draft handling, and automated notification of paid in full loans. This system, which incorporates data that has historically required two separate, unique documents, into a single, multipurpose document, provides all of the functionality of the conventional system, but in a highly efficient, economical manner.

Applicant's Disclaimers

(see above Disclaimers

Column 12, lines 10-58

FIG. 8—Stop Payment and Customer Bank Control File Maintenance

FIG. 8 illustrates the method of performing maintenance (add, change, delete) to the stop payment file and the customer and bank control file (identification numbers correspond to the paragraph numbers below).

1. Processed coupons from FIG. 5 step 4 are received.
2. Coupons are segregated as follows:
   2a. Coupons with customer requested maintenance changes such as name and address changes, bank account number changes, bank name changes.
   2b. Coupons without any customer requested changes.
3. Various types of payee or customer initiated changes are received such as stop payment setup and stop payment releases, requests for new or replacement coupons and Electronic Funds Transfer instructions (ACH).
4. Create computer terminal input for maintenance and other requests.
5. Produce a control report listing all accepted and nonaccepted data.
6. Update existing stop payment file with applicable data.
7. Update existing customer and bank control file with applicable data.
8. File or microfilm processed coupons for research purposes.
   As will be readily apparent to those skilled in the art,

implementation of various aspects of the present method and systems preferably is accomplished through thge use of conventional data processing equipment and suitable computer software programs. The foregoing description of the payment coupon, as well as the various steps involved in creating and processing the payment coupon and the subsequent generalization of the preauthorized draft document will make it apparent to those skilled in the art how to design and develop the suitable computer programs, there being numerous modifications and variations which will be required because of the particular requirements of the payees involved. Even so, set forth below is a further discussion of the software for accomplishing the methods of the present invention. The software is designed to be generic in that it has the facility to function in a standard manner, but utilized customized options and parameters that will tailor the standard software for specific requirements desired by the using payee.
There are three primary categories of customs.

30

Applicant's Disclaimers

(see above Disclaimers)

Summary of Josephson Citations on "Stop" found in Claim 27.

Citations by Examiner were improperly identified to contain a use of "stop" for a different purpose than that used in the Examiner's statement., thereby not acceptable in using the Examiner's statement in presenting obviousness, for claim 27..

Examiner continues:

Wherein a Purchase Worksheet provides a choice for either fixed assets or expenses applicable to larger purchases which justify the purchase, and provides information on use of items replaced, depreciation reserves, writeoffs, other purchases required. with this worksheet made an addition to the One Page document for internal use and fitted into a program for "other purchase actions" such as accounting and taxes, along with its use for auditing the One Page System. (Wiecha, Figure 7, Item 132, column 4, lines 52-54, column 6, lines 29-34, column 7, lines 9-16, column 10, lines 4-11, 23-26)".

Figure 7 Item 132 (see Page _/ο__)

Applicant's Disclaimers (see Page _//_)

Figure 7 cited by the Examiner in support of her statement, provides an overview of data flow between logical servers in the processes of securing information from vendors thereby maintaining a catalog system from which the purchaser can make selections to purchase, with assistance in preparing a purchase order,and securing approvals. (also see page _ιο_ for this disclaimer

---

Column 4, lines 52-54

123 via an EDI GATE Way 130. The Pricing Daemon 132 in turn provides pricing updates and base catalog entries to catalog file servers, CAT FILE SERVERS 140.

Applicants Disclaimers

Examiner's citation specifically refers to Wiecha's use of Daemon 132 pricing program which serves the purchaser with a basic updated system of purchase sources, prices and makes this available to the individual users of the purchasing system, through a catalog file server, whereas, the Examiner's statement refers to a specific worksheet for each One Page Document of particular use and value, which has many functions described above, than just ordering an item , and is not similarly used for source data in ordering purchas s. Th Examiner's statement avoids declaration of any r sourc systems for purchasing as these choic s would dep nd on the purchasing n eds of the purchaser and th best s l ction of systems existing at the time of application.

Column 6, lines 29-34

(See Page _/5_)

Applicant's Disclaimers

This citation by the Examiner identifies a particular system to serve as Product Editor in maintaining the product resource catalog. The One Page system' Purchase Worksheet, described above, by the Examiner, does not serve this function.

Column 7, lines 9-16

(see Page _/5_)

Applicant's Disclaimers

This citation by the Examiner describes the functions of the Catalog Daemon, to provide the customers with resource product data and descriptions. The One Page system Purchase Worksheet described above, by the Examiner, does not serve these functions.

Column 10, lines 4-11, 23-26

(see Page _/5_)

Applicant's Disclaimers

Above citations from the Examiner permit modifications in purchase instructions, such as shipping, billing and change line items., arranged by fax, phone or mail., with changes recorded in logs. The Purchase Worksheet described above by the Examiner performs none of these functions.

Summary of Disclaimers for Obviousness related to Applicant's claim No. 28

An examination of the Examiner's citations linked to the Examiner's descriptive statement of these citations for purposes of establishing obviousness of applicant's claim No. 28, finds the Examiner's statement completely inconsistent with the citations, and therefore has no basis for use in supporting obviousness..'

32

Examiner continues (claim 18), "Johnson teaches a system wherein a One Page document used to perform the functions of the system, is selected from a choice of three forms of purchasing, by size and type of purchase, and provides for the needs of the different participants, as prepared by the originator (Johnson: column 18, lines 55-67, column 15, lines 45-49)

Column 18, lines 55-67

quent users. For example, in an environment using Fisher RIMS for requisition/purchasing program 240, if a NIST standard is selected using TV-2 search program 250 and ordered using Fisher RIMS 240 (as either a type 07 purchase from Distributor or a type 05 administrative purchase from NIST), that item is available in the applicable database for subsequent requisitions. For example, a NIST standard ordered as a type 05 item will be stored in the local database on file server 200, with NIST as the vendor for subsequent administrative purchases by Customer. A NIST standard ordered from Distributor as a type 07 item will be stored in Distributor's host databases as a type 07 available to Distributor from NIST. The local databases on file server 200

Applicant's Disclaimers

Above citation describes the data base storage for three types of order resources 1. a direct order to a vendor, 2, an order placed with a distributor, and 3. an order placed with a distributor to be redirected for shipping from the vendor. These orders depend on the particular distribution system employed for a product. This differs completely from the three forms of orders related to size and type of purchase reported by the Examiner, which would be 1. purchases over a given dollar amount, 2, purchases under that amount, and 3. contract purchases.

33

Column 15, lines 45=49

For Administrative Purchases (type 05 items), a purchase
order is printed, and mailed or faxed, locally by computer 20
as indicated at step 118 in FIG. 3, or via host computer 10
via EDI (if EDI was selected in the Header of Appendix I
and an EDI transfer arrangement existed with vendor).
It is an important feature of the present invention that a s

Applicant's Disclaimers Citation describes sending the 1. direct order to the vendor by mail, fax or Email. The Examiner's system doesn't distinguish the sending of orders by forms of distribution, but rather by size and type of purchase.

Examiner continues:

"It would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the collective teaching of Wiecha, Thomson, and Josephson to include wherein a One Page document used to perform the functions of the system, is selected from a choice of three forms of purchasing by size and type of purchase, and provides for the needs of the different participants, as prepared by the originator, as taught be Johnson, with the motivation of providing an electronic sourcing method and system capable of creating an order list that provides a user with the capability of searching a data base containing data (including product/vendor identification, and other produce information) relating to items available from at least two vendors and the capability of transferring the product information (for example, a product number and a vendor identifier, such as vendor name and/or vendor number) or order list for desired items to a requisition/purchasing system for inclusion in a requisition generated by the system (Johnson; column 2, line 46 to column 3, line 2)"

Column 2, line 46 to Column 3, line 2

34

Applicant's Disclaimers

This citation in itself, has little significance except to recogniz that if an error occurs, it is processed by the Requisition Management, Instead, the Examiner's statement provides an electronic pattern of processing errors or changes through the series of steps and participants identified on the One Page document, back to the person responsible for making those changes. The difference is that the error identified in the citation is limited to those related to preparation of the requisition, whereas the error noted in the Examiner's statement would apply to any location in the full purchasing system. This substantial difference in scope and application doesn't justify obviousness.

Colum 2, line 46 to Column 3, line 24

SUMMARY OF THE INVENTION

In view of the foregoing, it is an object of this invention to provide an electronic sourcing method and system that provides a user with the capability of searching a database containing data (including product/vendor identification, and other product information) relating to items available from at least two vendor product catalogs, and the capability of transferring the product information for desired catalog items obtained as a result of the search to a requisition/purchasing system for use in generating a requisition including entries for the desired catalog items.

It is also an object of this invention to provide an electronic sourcing system that provides a means for bi-directionally transferring information between a requisition/purchasing system that may use the results of a search of such product information, and a means for searching large volumes of product information such as would be included in a vendor product catalog.

It is a further object of this invention to provide an electronic sourcing system capable of creating an order list including desired catalog items located as the result of such a database search, and transferring that order list to a

requisition/purchasing system for generating a requisition including entries for the desired catalog items.

In accordance with the invention, an electronic sourcing system and method used by the system are provided. The system includes a computer that maintains a catalog database of data including product information (such as product identification information, and descriptive information) relating to catalog items available from vendor product catalogs, and a means for building (generating) a requisition including at least one requisitioned item. Information at least partially identifying an item desired to be requisitioned is entered by a user, and utilized by a means for searching the database for catalog items matching that information and for selecting at least one catalog item located as a result of the search. Text describing the catalog items, and images of the items, may be viewed. Data identifying selected catalog items are communicated to the requisition building means, which generates a requisition including entries for items corresponding to the selected catalog items. Additionally, the invention includes a means for checking the availability in one or more inventory locations of the corresponding desired catalog items, and for generating one or more purchase orders for desired items from inventory locations stocking the items.

Applicant's Disclaimers

Examiner's above citation is the Summary, describing an electronic sourcing method and system to search a database for catalog information on product data to prepare a purchase requisition, whereas the Examiner's above statement describes a system for controlling and making changes in orders processed, when necessary. thereby recognizing two distinct operations with no justification for finding obviousness.

Column 11, lines 30-61

When in search program 50, particular items selected can be added to an Order List 48 pending in Shell 52 and search program 50. When the Ordering portion of catalog text is viewed (as in Appendix V), particular items can be selected so as to be added to the Order List 48 by double clicking on the highlighted catalog number (even if a different field was also highlighted as a result of a search of catalog database 36). The item is then added to an Order List 48 that is created in Shell 52 via a hypertext link. The items that are sent to the Order List 48 are collected and shown on the Items Selected screen of Shell 52. An example of an Items Selected screen of Shell 52 is shown in Appendix VI. The Items Selected screen depicts certain fields of Order List 48 that can be viewed and edited within search program 50. For example, Shell 52 permits the user via a pop-up window (not shown) to select units, e.g. pack or case, and quantity to be ordered, e.g. two packs. Alternatively, the data in these fields can default to one of the smallest unit and the units can be changed when the order is reviewed in REQI program 44A.

Additional fields on the same items are also present in memory at this stage. Upon clicking on "Order" when the Items Selected screen (Appendix VI) is viewed, many or all of these fields on the items in the Order List are transmitted back to REQI program 44A (via the programs of interface 60 shown in FIG. 2) to be added to the pending Requisition Item Table 46. The sample Items Selected screen shown in Appendix VI includes the Isotemp Oven with catalog number 1324818F that was located as a result of the search for all items in catalog database 36 that match the part number 132468181F that was entered in the STOCK NBR field of REQI program 44A and its associated Requisition Management data screen 110 of Fisher RIMS system 40.

The following fields are transferred to Order List 48 created in TV/2 search program 50: Vendor name, vendor number, vendor part (catalog) number, product description, list price, page number, quantity, unit and catalog text. However, not all of these fields are viewed on the Items Selected screen.

31

Applicant's Disclaimers

The Examiner's citation describes a catalog system for researching sources and items to be selected in purchasing, whereas the Examiner's program of three forms of ordering is related to just the particular form to be used in making the purchase, therefore there is no similarity in these functions, Johnson's system is confined to sourcing a data base for preparing a purchase order, whereas the Examiner's statement leaves the method of sourcing subject to the application needs of the user, and there is no basis for assuming obviousness..

Summary of Disclaimers for Obviousness related to Applicant' claim No.18

An examination of the Examiner's citations linked to the Examiner's descriptive statements of these citations for purposes of establishing obviousness of applicant's claim No. 18 finds the Examiner's statement completely inconsistent with the citations, and therefore has no basis for use in supporting obviousness.

The Examiner continues, for Claim 19:

"Wherein during the progression of the One Page document through its functional steps, any changes found necessary will require the action of the originator, with the finder of the necessary changes first deleting the dot in the circle on the order which directed the action to him, and also the dot in the circle which preceded his own circle thereby producing a form or requisition, "Action Change Request", to secure explanations why changes are necessary,. Then , to be return back into the system, in reverse sequence, for necessary action by the order originator (Johnson: see at least Figure 3, Item 110, Figure 3, column 2, line 46 to Column 3, line 24, column 11, lines 30-61, column 13, line 1 to column 14, line 45, , column 15, lines 9-21, column 15, line 60 to column 16, line 32)

Figure 3, item 110, and Figure 3
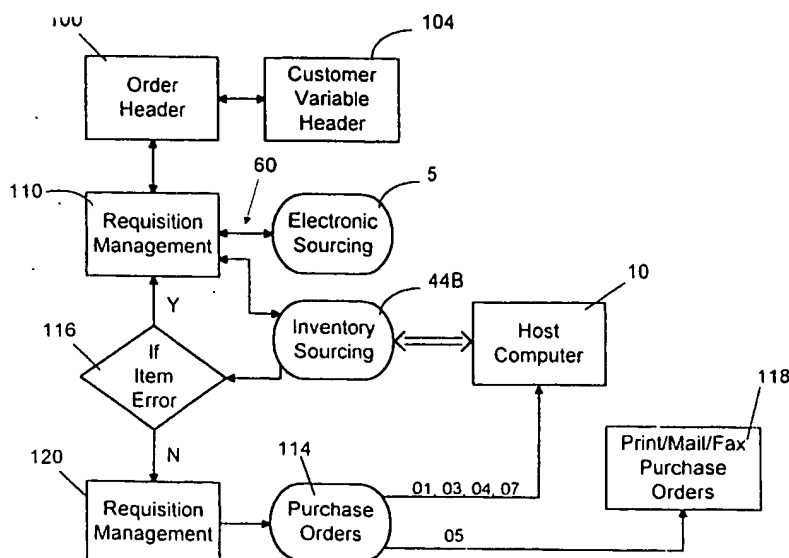
36

Column 13, line 1 to Column 14, line 45.

Interface programs ESCP 80 and ESRC 70 (FIG. 2) are used to send data to REQI program 44A (FIG. 1A) and its associated Requisition Management data screen 110 (FIG. 2) about the items that were selected from the search performed by TV/2 search program 50. To the user, it appears that all the items selected from the search are sent over to Fisher RIMS system 40 at the same time. However, ESCP program 80 receives multiple items from TV/2 search program 50, and then sends one item at a time to ESRC program 70. ESRC program 70 then waits until all items have been passed to it before sending data about the items to REQI program 44A and its associated Requisition Management screen 110 of Fisher RIMS system 40. The information transmitted to Requisition Management screen 110 from the Order List built in TV/2 search program 50 and sent through ESCP program 80 and ESRC program 70 includes vendor name, vendor number, vendor part (catalog) number, product description, list price, page number, quantity, unit and catalog text. However, not all of the above-listed fields may be displayed on screen at all times. ESRC program 70 passes control back to Fisher RIMS system 40 via XCTL 78. The requisition number, customer identification and release number (or other data identifying the requisition) will be passed in MENU-Comm-AREA 56 to confirm that the returned data are associated with the proper requisition. MENU-Comm-AREA 56 is a layout of storage area within local computer 20, as one of ordinary skill in the art would readily understand.

As previously indicated, multiple LINKS 82 may have been created between program ESRC 70 and program ESCP 80 if multiple lines were selected (with the "S" symbol) in Requisition Management data screen 110. After completing the first search, and any additional searches initiated with the footer bar, an order list is created and returned to Requisition Item Data Table 46 associated with Requisition Management data screen 110. At this point, the next item is sent from a LINK 82 through program ESCP 80 and DDE LINK 90 to the TV/2 program 50, and a hit list resulting from the corresponding search is displayed on monitor 22. The process of searching, displaying, selecting and ordering is repeated until all of items stored by LINKS 82 have been sent to TV/2 program 50 and searched. At the end of each of these searches, an order list may be created and returned to Requisition Item Data Table 46 or cancelled. Once the last item is completed, ESRC program 70 passes control via XCTL 78, and a Requisition Management screen 110 is displayed, reflecting all of the additions and changes that have been made to the Requisition Item Data Table 46 associated with that requisition.

A limit is normally placed on the number of items of an order that may be returned to the Requisition Item Data Table 46. For example, if the maximum size in Requisition Item Data Table 46 is set at 200 lines, one could create a limit on the size of each order list at 20, 50, 100 or even 200.

A corresponding limit can be placed on the number of LINKS 82 that can be established concurrently from the same requisition. Setting a limit of five LINKS 82 and forty items per order list would be one way of avoiding situations in which a Requisition Item Data Table 46 reaches its limit (e.g., 200 lines) before all of the searches (five) have been completed and order lists (five of forty items each) have been returned.

At this point in the use of Fisher RIMS system 40, as many entries (lines) of Requisition Management data screen 110 have been built up (some through use of electronic sourcing system 5) as are necessary to complete the requisition. A sample of such a Requisition Management data screen 110, in which four lines have been entered identifying desired items to be requisitioned (including catalog items located as a result of a catalogs search), is shown in Appendix VIII. The next step is that of inventory sourcing using RIMS inventory sourcing program or programs 44B in Fisher RIMS system 40, as shown in FIG. 3. Inventory sourcing is the process of determining what inventory will be used to fill the requisition. Pricing is also performed in this step when it is called for. Inventory sourcing in Fisher RIMS system 40 is performed on both local computer 20 and host computer 10.

Within Fisher RIMS system 40, a Requisition Item Table 46, as shown in Appendix VIII (similar to that shown in Appendix II, but including more items), can be inventory sourced by pressing the key F6 from REQI program 44A represented by Requisition Management data screen 110 shown in Appendix VIII (and in Appendix II). Since inventory records on JIT items (type 01 and 06) are maintained in inventory database 42B, lines 002 and 004 in Appendix VIII show the availability of these items in inventory (49 items available for line 002, and 0 items available for line 004). After the F6 key has been pressed, host computer 10 searches its host pricing and inventory databases for availability of the various items listed on Requisition Management data screen 110 in different inventory locations (e.g., different warehouses) as described in further detail, below.

After such inventory sourcing, and assuming that no errors occurred during sourcing (as indicated by decision step 116 in FIG. 3), the contract price, source (inventory) location and available quantity or other fields are communicated back to computer 20 by host computer 10, and entered and displayed in the Requisition Management Screen. This can best be seen by comparing lines 001 and 003 of Appendix VIII to Appendix IX, especially as to "QTY AVAIL" (quantity available), "LOC" (inventory location) and price. As Appendix IX indicates, an inventory-sourced Requisition Item Table 46 typically contains the same items, but with more completed fields (including price, product type and inventory location). Moreover, as discussed above, an entry in an inventory-sourced Requisition Management screen may indicate for a requisitioned item a vendor and vendor catalog number that has been changed, from what was obtained from a catalog search, to a corresponding vendor and vendor catalog number for that item from another source (e.g., Fisher—which has its own catalog number for that manufacturer's item that Fisher distributes). For example, as shown in Appendix IX product type "01"

37

Applicant's Disclaimers

Examiner's citation is a detailing of the steps involved in searching, displaying, selecting and ordering items from vendor catalogs, as opposed to the Examiner's above statement of a system of recognizing and making changes at any point in the total purchasing process, thereby establishing a distinct difference between the two, with no evidence of obviousness to support the Examiner's statement..

Column 15, lines 9-21

15

item. Type 01 and type 03 items are priced by Distributor's host computer 10 searching host databases 11, which contain various formulae and tables of Distributor's pricing agreement with the Customer. Host computer 10 also prices any type 04 or type 07 item, if present. These prices were transmitted to local computer 20 along with the location and availability information for the type 01 items. Prices for type 05 and 06 items are maintained in the local computer's 20 own databases 42B and 42C.

From Requisition Maintenance data screen 120, the CSR can accept all lines of the requisition—if all lines show the status "S" for sourced in the "STAT" field of Requisition Maintenance data screen 120—by pressing the F6 function key. If item errors are found at step 116 in the data transmitted back to local computer 20 from host computer 10 during the sourcing process, then those particular items for which error was found will be returned and displayed by local computer 20 in Requisition Management data screen 110.

Once a requisition has been inventory sourced and accepted by the CSR, it can be converted to one or more

Applicant's Disclaimers

Examiner's citation describes the process of transmitting information on items selected from a requisition maintenance, with the option of returning for errors or acceptance for purchase requisition, with movement to a purchase order. Again, this is a limited action up to the point of completing a purchase order, as opposed to the Examiner's above statement of a program for changes at any level of the purchase processes, with a system of tracking these changes to the correcting position in the system.- with no obviousness to be recognized in the Examiner's statement.

returned from ESCP program 80; (4) on a "master or blanket" order, in which local computer 20 tracks the amount of purchases against a blanket or cumulative sum available and/or in which there is limited access to products or limited access to certain users, the part has already been entered on another line; and (5) the maximum number of line items has been reached.

Referring again to FIG. 2, a user is able to view the messages returned by pressing the ALT F11 function keys in REQI program 44A and its associated Requisition Management screen 110 in Fisher RIMS system 40. After the ALT F11 keys have been pressed, REQI program 44A will link to ESMV program 112 via XCTL link 111 for displaying the message log created. ESMV program 112 is a function of Fisher RIMS system 40. ESMV program 112 allows the user to page through the messages created and then to return to Requisition Management screen 110. A sample ESMV message screen 81 associated with ESMV program 112 is shown in Appendix X.

The first two messages of the message screen of Appendix X indicate that a part number for line 001, identified as part number 53610, was successfully added in substitution for a prior part originally entered as part number S100-06 (from the Fisher Scientific catalog). These messages were generated because the originally entered part (S100-06) did not exist in the Fisher catalog, but its corresponding part number S100-06 (that was located by another search in another catalog) did exist in that other catalog. The next message indicates that the vendor for part number 53610 was changed in line 001 from "VN00000001"—meaning that the originally requested vendor (Fisher) was changed. The next two messages indicate that two other part numbers (53620 and 53650) were successfully added as lines 002 and 003.

Electronic sourcing system 5 also contains the capability to log messages returned from inventory sourcing program or programs 44B of Fisher RIMS system 40. Messages will be logged for any of the following reasons: (1) part number changes for line sent to ESCP program 80; (2) list price from inventory sourcing program 44B differs from list price returned from ESCP program 80; (3) vendor name from inventory sourcing program 44B differs from vendor name

Applicant's Disclaimers

Examiner's citation describes a system of logging messages returned from inventory sourcing programs, for various reasons, including changes made. This concept of a log is made not necessary in the Examiner's above stated program of preparing a change report which accompanies the One Page document in tracking to the source of change approval. and made part of a permanent fil . thus using differ nt procedures to control changes, and not creating a position of obviousness.

Summary of Disclaimers for Obviousness related to Applicant's claim No. 19

An examination of the Examiner's citations linked to the Examiner's descriptive statement of these citations for purposes of establishing obviousness of applicant's claim No 19 finds the Examiner's statement completely inconsistent with the citations, and therefore has no basis for use in supporting obviousness.

Examiner continues:

"As per claim 26, Wiecha, Thomson, Josephson and Johnson teach a system as analyzed and discussed above wherein a section is contained in the One Page document for the originator to enter the amounts and accounts to be charged for the items purchased , which is entered into the system to be held in suspense until the item is received as acknowledged, and charged to that accounts (s) with an accounts payable entry (Johnson; column 6, line 39, to column 7, line 12, column 7, lines 51-60)

Column 6, line 39 to column 7, line 12

Preferably, a user will start the electronic sourcing system 5 from Fisher RIMS system 40. Requisitioning on Fisher RIMS system 40 in context of the electronic sourcing system 5 of the present invention is illustrated in pertinent part in FIG. 3 (and is fully described in U.S. Pat. No. 5,712,989. As data (e.g., Account Number, Requisition Number and Stock Numbers) associated with a single requisition are entered through the various data screens on local computer 20, that computer creates a set of Requisition Tables (including a Requisition Item Table 46, shown in FIG. 1C) for that particular requisition. The Requisition Tables are stored in Requisition databases 42A (shown in FIG. 1A), and can be accessed by local computer 20 using the Requisition Number to find the desired table.

The first step in creating a requisition in Fisher RIMS system 40 involves entry by the user of information in the Order Header program 44D (shown in FIG. 1A), which has an associated Order Header data screen 100 (FIG. 3). A sample of an actual Order Header data screen 100 is set forth in Appendix 1. The user enters an Account Number, which generally causes the correct name and address associated with that Account Number to be entered into the appropriate fields of Order Header data screen 100. The user must also enter a Requisition Number in the appropriate field of the Order Header screen 100. Various additional information may also be entered.

At the bottom of Order Header data screen 100 are several fields that describe the function of various function keys.

Function keys F6, F9, and F10 all cause the system to jump to a new RIMS program 44 or data screen in Fisher RIMS system 40. For example, pressing the F9 key causes the system to jump to RIMS Customer Variable program 44E (FIG. 1A) and its associated Customer Variable Header data screen 104 (FIG. 3). Customer Variable Header program 44E with its associated Customer Variable Header data screen 104 allows the user to enter and edit information that the particular customer desires to be associated with the requisition due to requirements of the customer's internal accounting system or other systems. Pressing the F10 key will cause the system to enter the Inventory Sourcing program or programs 44B.

40

Applicant's Disclaimers

The above citation describes initial preparation of a purchase requisition , including account number, name and address and requisition number, with various additional information, which could include accounting system requirements. At this initial point of preparing a purchase requisition there is insufficient information available to include the amounts and accounts to be charged for the items purchased, and the order might not be finalized at this point.. Also, this account number would be the vendor's account number for the purchaser, and not for accounting purposes.. The Examiner's above statement anticipates this information being fully available at the time of preparing the One Page document. Consequently, the Examiner's statement is not consistent with citations offered in support of obviousness.

Column 7, lines 51-60

The Account Number and Requisition Number are automatically passed to REQI program 44A and its associated Requisition Management data screen 110, and displayed at the top of the Requisition Management data screen 110 in the relevant fields. For example, in the exemplary Requisition Management data screen 110 shown in Appendix II, the number 218848 has been entered in the Account Number field, and the notation "TEST NEW ONE" has been entered in the Requisition Number field.

Applicant's Disclaimers

The Examiner's citation refers to account number which in this case is the vendor's account number for the ordering purchaser, whereas the account numbers referred to by the Examiner in the above statement are the "account numbers" used by the purchaser in charging the costs of the items purchased as shown in the One Page purchasing document. These are entirely different numbers and are no cause for finding similarity for obviousness.

Summary of Disclaimers for Obviousness Related to Applicant's Claim No. 26

An examination of the Examiner's citations linked to the Examiners descriptive statement of these citations for purposes of establishing obviousness of applicant's claim No 26, finds the Examiner's statement completely inconsistent with the citations, and therefore has no basis for use in supporting obviousness.

41

Examiner continues;" As per newly amended claim 21,..... Walker teaches a system wherein electronic signatures are required.. of those employees engaged in purchasing to acknowledge their actions completed which by using the One Page document, easily permits verification of their actions completed by others, including auditors checking for prescribed conformance in the purchasing system. (Walker; see at least Figure 10, column 8, line 56 to column 9, line 51,column 17, lines 7-9, column 19, lines 10-12, 29-53)"

Figure 10

POTENTIAL SELLER SELECTS A CPO FOR EXECUTION
1000

CENTRAL CONTROLLER RECEIVES SELLER RESPONSE
1010

IDENTITY OF SELLER AUTHENTICATED AS WELL AS CAPACITY TO DELIVER GOODS
1020

CENTRAL CONTROLLER VERIFIES STATUS OF CPO
1030

CPO STATUS "ACTIVE"?
1040

NO → SELLER RESPONSE REFUSED AND TRANSMITTED BACK TO POTENTIAL SELLER
1050

YES

UNIQUE TRACKING NUMBER ADDED TO SELLER RESPONSE
1060

SELLER RESPONSE STORED IN SELLER RESPONSE DATABASE
1070

Applicant's Disclaimers

Figure 10 Examiner's citation only refers to sellers and makes no mention of form of seller's communication, whereas Examiner's statement refers to an electronic signature . being used by employees of purchaser, thereby being unrelated for obviousness.

42

The buyer then attaches a user identification to the CPO and transmits the CPO to the central controller. Under the present invention, the CPO may be transmitted via numerous means including a world-wide-web interface, electronic mail, voice mail, facsimile, or postal mail. Standard legal provisions and language are then integrated with the CPO to "fill in the gaps" of the buyer's purchase offer. Alternatively, the CPO may be developed while the buyer is on-line with the central controller.

Before communicating the CPO to potential sellers, the central controller authenticates the buyer's identification number against a buyer database. The central controller may require that the buyer provide a credit card number and may also ensure that the buyer has sufficient credit available to cover the purchase price specified in the CPO by contacting the credit card clearinghouse. The central controller then assigns a unique tracking number to the CPO and globally displays the CPO in a manner such that it is available to be viewed by any interested potential sellers. CPOs may be displayed by subject category to make it easier for potential sellers to identify relevant CPOs. Thus, a seller could log onto a website, for example, and see a listing of CPO subject categories. The seller could then choose a particular subject and have the ability to browse CPOs which correspond to that subject category. In one embodiment, the seller may be required to provide qualifications in order to view the CPOs of a given subject category.

If, after reviewing a particular CPO, a potential seller wishes to accept the CPO, the seller communicates his intent to the central controller. The central controller then timestamps the message from the seller and authenticates the identity of the seller and his capacity to deliver the goods sought by the buyer. The system then verifies that the particular CPO is still "active" and capable of being accepted. If a CPO is capable of being accepted only by one seller, it is "completed" when the first qualified seller accepts it. Subsequent sellers will not be able to accept a "completed" CPO. If a seller accepts an active CPO, a unique tracking number is assigned to the seller's acceptance. The acceptance is then stored in a database. The buyer and seller are now parties to a legally binding contract.

In another embodiment, the central controller manages the payment system between the buyer and seller automatically. Various methods of payment may be utilized by the invention, including credit cards, personal checks, electronic funds transfer, debit cards, and digital cash. The payment system may also involve the use of an escrow account associated with the buyer wherein funds advanced by the buyer to cover the purchase of a desired good can be kept pending acceptance by a qualified seller. Moreover, the timing of payment to the seller can be varied. The seller can be paid immediately after the seller accepts the CPO or payment can be delayed until after the seller performs his obligations under the contract.

In yet another embodiment of the present invention, a seller is given the option to respond to a CPO by issuing a binding counteroffer with conditions different from the original CPO. The seller transmits the counteroffer to the central controller which then forwards the counteroffer to the buyer. The buyer is then given the option of accepting the counteroffer and thereby binding the seller to a contract.

A3

Applicant's Disclaimers

The Examiner's citation does not specify the form of authentication between the buyer and seller, whereas the Examiner's statement refers only to employees of the buyer using electronic signatures, thereby being unrelated for obviousness..

Column 17, lines 7-9

> Instead of a world wide web-based interface, buyers may also transmit CPO 100 data via electronic mail, voice mail.

Applicant's Disclaimers

The Examiner's citation does not specify the form of authentication being used between the buyer and seller, whereas the Examiner's statement refers only to employees of the buyer using electronic signatures, thereby being unrelated for obviousness..

Column 19, lines 10-12.

> restaurants. In another embodiment, CPO 100 is electronically transmitted directly to the seller, via electronic mail, fax, telephone, beeper, etc.

Applicant's Disclaimers

The Examiner's citation embodies electronically transmitting the buyer's offer to the seller without describing the use of electronic signatures, whereas the Examiner's statement applies only to the buyer's employees and uses electronic signatures between the users, thereby having significant differences, without evidence of obviousness.

Column 19, lines 29-53

> Authentication of the seller's identity involves central controller 200 extracting the seller ID from seller response 110 and looking up the seller's identity in seller database 260. Information in seller database 260 then provides an indication of the seller's ability to deliver the goods. Before a seller can bind CPO 100 for an airline ticket, for example, central controller 200 must authenticate that the seller is an airline. If necessary, central controller 200 may verify that the seller can provide the specific good requested. Rather than just verifying that the seller is an airline, central controller 200 may verify that it serves the city pairs requested by the buyer. In another embodiment, the seller incorporates seller response 110 into CPO 100, signing CPO 100 by adding an indication that the contract is agreed to. This indication could be a digital signature, or could involve adding a symbol or indicia representative of the seller.
>
> Central controller 200 then verifies the status of CPO 100 at step 1030, determining whether or not the status of CPO 100 is "active" at step 1040. If CPO 100 is currently "active," a unique tracking number is added to seller response 110 at step 1060. Central controller 200 then stores seller response 110 in seller response database 270 at step 1070. If the status of CPO 100 is not "active" at step 1040, seller response 110 is refused by central controller 200 and transmitted back to the potential seller at step 1050.

44

Applicant's Disclaimers

Examiner's citation refers to sellers use of a digital signature accepting buyer's offer to purchase, whereas Examiner's statement refers to employees of purchaser acknowledging completion of their function, thereby being distinctly different in parties involved and functions performed, and not suggesting obviousness.

Summary of Differences Between Examiner's Citations and Statement,

The Examiner's differences are found in different parties being involved, not specifying use of electronic signatures and not serving the same purpose, therefore provide no significance for obviousness in Claim No.21

Examiner continues on Page 14:

"It would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the collective teachings of Wiecha, Thomson, and Josephson to include the use of electronic signatures for acknowledgment and verification, as taught by Walker, wit the motivation of providing a system of bilateral buyer-driven electronic commerce that offers the capability for individual buyers to issue authenticable messages which contain the terms of a purchase off, allowing a seller who meets the terms of the purchase offer to bind the buyer to accept the seller's fulfillment of that offer and be able to collect funds immediately upon his acceptance of the buyer's terms as set forth in the purchase offer, providing a system in which the identity of the buy is authenticated along with the integrity of the buyer's purchase offer and in which the identify of the seller is authenticated in order to determine the seller's capacity to satisfy the condition of the purchase offer (Walker; column 7, line 9 to Column 8, line 20)"

A5

Moreover. a bilateral buyer-driven system of commerce which authenticates the terms and conditions of buyer offers will be more likely to attract the attention of potential sellers. because they are assured of the legitimacy of the offer.

There is also a need for a third party to administer such a bilateral buyer-driven system. The third party can serve as a trusted arbitrator available to resolve contract disputes between the parties and thereby increase buyer and seller confidence in the system. Additionally. the third party can establish standard protocols. formats. terms and language to be used in buyer offers and thus make it easier for sellers to understand and assess individual offers. Finally. the third party can administer a site on the Internet where buyers can post their purchase offers and sellers can go to review the posted offers. Having all offers in a centralized location makes it easier for sellers to search for relevant purchase offers.

The applicant is unaware of the existence of any commercially-viable bilateral buyer-driven commerce system which contains the above features and addresses the above-described shortcomings in the prior art. Therefore. it is one object of the present invention to set forth a system of bilateral buyer-driven electronic commerce that offers the capability for individual buyers to issue authenticatable messages which contain the terms of a purchase offer and publish that purchase offer globally to potential sellers.

Another object of the present invention is to allow a seller who meets the terms of the purchase offer to bind the buyer to accept the seller's fulfillment of that offer.

Yet another object of the present invention is to allow the seller to be able to collect funds immediately upon his acceptance of the buyer's terms as set forth in the purchase offer.

It is a further object of the present invention to allow for a trusted third-party administrator whose decision regarding the fulfillment. adequacy or interpretation of any aspect of the process shall be binding on the parties.

It is another object of the present invention to allow the seller to receive part of his payment upon agreeing to the buyer's purchase offer. and a subsequent payment upon delivery of the goods or services called for in the buyer's purchase offer.

It is yet another object of the present invention to allow either buyers or sellers to remain anonymous up until such time as an agreement is consummated and for buyers to remain anonymous even after the agreement is consummated by using the trusted third-party as a relay system for delivery of goods or services called for by the buyer's purchase offer.

A further object of the present invention is to ensure that buyers using the inventive system are not inundated with inquiries or acceptances from unqualified sellers.

Yet a further object of the invention is to provide a system in which the identity of the buyer is authenticated along with the integrity of the buyer's purchase offer.

Another object of the invention is to provide a system in which the identity of the seller is authenticated in order to determine the seller's capacity to satisfy the conditions of the purchase offer.

It is another object of the present invention to allow sellers to submit authenticatable counteroffers to the buyer.

Yet another object of the present invention is that such counteroffers may allow the buyer to bind the seller to the counteroffer. subject to the authenticatable terms of that counteroffer.

It is a further object of the present invention to allow for delivery of digitally-based products such as certificates of insurance from the seller to the buyer according to the terms of the buyer's purchase offer and the cryptographic validation of such delivery.

It is another object of the present invention to allow for purchase offers where more than one seller may bind the buyer to the purchase offer.

Another object of the present invention is to show how all or part of the system can be practiced using non-electronic means such as printed media or advertisements in newspapers.

Applicant's Disclaimers

The Examiner's above citation describes the benefits of a third party acting as an agent for a buyer to find a seller willing to meet the buyer's price and terms with some form of authentication, without specifically identifying use of electronic signatures, whereas the Examiner's statement relates to use of electronic signatures by the employees of the purchaser to acknowledge completion of their purchasing functions. This stretches the imagination beyond human effort to establish the application of ordinary skill as being evident between these two objectives, as related to Claim No. 21,supporting a composition of the teachings of Wiecha, Thomson and Josephson

Examiner continues with attempt to prove obviousness for claims 22, 23 and 25

Examiner in addressing claim 22, states, " ....Walker teaches an Electronic Commerce System as analyzed and discussed above in the claim 17 rejection wherein the total amount of the On Page document, including taxes, handling charges, etc. will be established at the outset, when the document is prepared, thereby having the correct amount for authorization approval, vendor acceptance, and payment advice to the paying bank, without the usual need for a vendor's invoice, before arranging payment (Walker; see at least column 8, lines 41-55, column 10, line 40 to columln 11, line 2, column 19, lines 29-45"

Column 8, lines 41-55

In one embodiment of this invention, communications between buyers and sellers are conducted using an electronic network and central controller. A buyer who wishes to make a purchase accesses the central controller located at a remote server. The buyer will then create a conditional purchase offer ("CPO") by specifying the subject of the goods he wishes to purchase, a description of the goods he wishes to obtain, and any other conditions the buyer requires. For example, a typical CPO could specify that the buyer wants to purchase a block of four airline tickets from Chicago's O'Hare Airport to Dallas, Tex., the tickets must be from any of the six largest U.S. carriers, the buyer is willing to change planes no more than once so long as the scheduled layover is less than two hours, and the buyer is willing to pay $180 per ticket, plus any applicable taxes.

4 7

Applicant's Disclaimer

Examiner's above citation describes a buyer contacting a third party, not a part of the buyer's organization, to find a possible seller interested in consummating a sale on the buyer's terms, whereas the Examiner's above statement describes the need for the purchaser to know the total correct amount of the sale when completing the One Page document in anticipation for processing, including bank payment to the vendor. In one case the seller is completing the agreement, and in the latter case the buyer is completing the agreement – a substantial difference for measuring obviousness, along with being unrelated forms of purchasing, as the purchasing system in claim 22 doesn't anticipate a third party participation between the buyer and seller, such as described in the citation.

Column 10, line 40 to Column 11, line 2

The invention also allows buyers to reach a large number of remotely located sellers who normally would not be able to afford to find the buyer, but who may be able to provide the buyer with the exact deal the buyer desires. For instance, this might be the case for a car buyer who could precisely define the car and option packages he wanted for a specified price. The present invention allows such a buyer to issue a binding purchase offer which is globally communicated to authorized dealers in the U.S.. Any one of those dealers could then decide whether or not to accept the offer. The buyer's advantage is particularly significant when the sellers of products sought by the buyer have no inventory carrying costs, as is the case with insurance sales. Insurance buyers could use the present invention to cast a wide net to reach thousands of potential insurance sellers and potentially find a seller willing to satisfy the buyer's specified purchase conditions.

It is a goal of the present invention to provide a robust system which matches buyers' requirements with sellers capable of satisfying those requirements. The invention provides a global bilateral buyer-driven system for creating binding contracts incorporating various methods of communication, commerce and security for the buyer and the seller. The power of a central controller to field binding offers from buyers, communicate those offers globally in a format which can be efficiently accessed and analyzed by potential sellers, effectuate performance of resulting contracts, resolve disputes arising from those contracts, and maintain billing, collection, authentication, and anonymity makes the present invention an improvement over conventional systems.

Applicant's Disclaimers

The Examiner's citation describe the advantages of a third party participant to represent the purchaser in finding the best possible source to meet the purchaser's needs, which may not be easily accessible for the purchaser. This is not the intent of the Examiner's stated objectives which are designed for large organizations having extensive resource facilities, and only need price confirmations and precise amounts of added costs for such items as taxes and shipping and handling cost additions., thereby making a distinction between Examiner's citations and statements which can only support non obviousness, for claim 22.

48

Column 19, lines 29-45

Authentication of the seller's identity involves central controller 200 extracting the seller ID from seller response 110 and looking up the seller's identity in seller database 260. Information in seller database 260 then provides an indication of the seller's ability to deliver the goods. Before a seller can bind CPO 100 for an airline ticket, for example, central controller 200 must authenticate that the seller is an airline. If necessary, central controller 200 may verify that the seller can provide the specific good requested. Rather than just verifying that the seller is an airline, central controller 200 may verify that it serves the city pairs requested by the buyer. In another embodiment, the seller incorporates seller response 110 into CPO 100, signing CPO 100 by adding an indication that the contract is agreed to. This indication could be a digital signature, or could involve adding a symbol or indicia representative of the seller.

Applicant's Disclaimers

The Examiner's citation describes the responsibility of the third party between the buyer and proposed seller to establish the authentications of the seller and the proposed transactions, including proof of seller's acceptance, and is an action of a a third party to serve a willing purchaser in finding a seller who meets the purchaser's needs and terms, whereas the above Examiner's statement does not include participation by a third party in the sale, thereby recognizing a major difference which does not support obviousness.for claim 22... ..

Summary of Examiner's Statements in support of obviousness in claim no. 22

An analysis of above citations given by the Examiner in support of her statements justifying obviousness for claim no. 22, reveals that there are significant differences between the citations and statements, including reference to the existence of a third party in the citations, and the functions of this third party which do not coincide with the descriptions found in the Examiner's statement. Consequently, the Examiner's statement incorrectly credited to Walker for obviousness is not evidenced in the Examiner's citations, and is not valid for use as obviousness.

Examiner continues by addressing claim no. 23, wherein ".....Walker teach an Electronic Commerce System as analyzed and discussed above in the claim 17 rejection ...wherein the purchaser is required to prearrange terms of payment with the vendor, which is scheduled into the system, thereby permitting the purchaser to adjust payments to fit the purchaser's cash flow needs, and without this, the vendor would have no basis for being paid (Walker; see at least column 8, lines 41-55, column 10, line 40 to column 11, line 2, column 19, lines 29-45)

Column 8, lines 41-55

(see page 47)

49

Applicant's Disclaimers]

Examiner's citation describes the buyer electronically instructing a third party
as to the buyer's specific needs for the third party to seek in placing the order with a
possible seller to be secured, whereas the Examiner's statement is not intended to use
a third party for the function of the purchaser to directly deal with a seller, thereby have
a significant difference in purchasing functions and having no justification for
obviousness...

Column 10, line 40 to Column 11, line 2

(see page _48_

Applicant's Disclaimers

(see above disclaimers)

Column 19, lines 29-45

(see page _49_)

Applicant's Disclaimers

Examiner's citation has no reference to scheduling payments and has the same
difference as reported above, of the introduction of a third party to act for the purchaser
in finding a seller to meet the purchasers needs, thereby creating a different form of
purchasing than demonstrated in the Examiner's statement., with its lack of similarity
and lack of obviousness.

Claim 29 is hereby withdrawn.

Summary of Examiner's results of demonstrating the use of stated functions of a group
of seven patents for obviousness over a group of claims presented by the applicant..

These functions of the seven patents, as stated by the Examiner, were found to be
obvious by the Examiner, over the applicant's claims

If this is correct, then the functions stated by the Examiner, must correctly coincide with
the contents of the seven patents.

The Examin r has cited individual portions of ach of these patents in support that the
contents of the patents as cited do corr ctly coincide with th Examin r's statements...

50

This completes the findings of the applicant to support his position that the Examiner's descriptions of the citations numbered by the Examiner for the seven patents, and used for determining obviousness, do not represent and conform to the contents of the patents cited by the Examiner, and therefore are not useable for establishing obviousness, nor do they in themselves, establish obviousness.

51

EXAMINER'S OBJECTION TO DRAWINGS

Examiner objects to drawings included in th Specifications, lack of several views of the drawings and lack of specifications of figures and reference numbers.

Objections, rather than rejections would suggest that the Examiner is open to exceptions if the circumstances warrant their acceptance. The applicant will explain these circumstances, for recognition that there might be a simpler and easier method of serving the Examiner's needs through acceptance of this particular applicant's presentation.

The attached U.S.Patent Office, Specification (Description and Claims) was closely followed in constructing the original Application, filed September 4, 2001. It complied with all of the applicable order which should be observed, except for slight deviations in recognition of the possible interpretations and use of (i). (j) and (m)..

(i) The attached describes a "Brief description of the several views of the drawing (if any). The applicant has made the suggestion to the Department that "Use of "drawings" in the application suggests a carryover from historical practices of using a small pictorial image of a large mechanical device, for better understanding, and doesn't relate to new electronic method systems where a form is included per se in the application as an item to be patented, and not just a means of making the invention more understandable. This is a very important distinction from drawings, which I feel should be made"

Therefore, if we recognize that nine of the forms exhibited are not drawings, but part of the invention, they are not subject to different views, and they have already been identified by name references in the Summary They could properly occupy a location either as part of the Summary, where they are described, or part of Detailed Description of the Invention. They were actually placed to follow the Summary, which shouldn't present any problem of continuity in understanding the system. The subject matter of the forms and their content is self evident so that any further details would only be redundant.after reading the Summary.

By coupling the Summary and forms further enhanced by workflows of all the steps shown in detailing the system through each step of the operations and a listing of the computer programs needed for the system, it would seem that this is a complete package of the system starting and progressing with a Summary and carrying it through the many programs required, which would be specifically available at the tim of installation. Thus it forms a neat flow of detail without redundancy.of language.

52

US Patent and Trademark Office

SPECIFICATION (DESCRIPTION AND CLAIMS)

The following order of arrangement should be observed in framing the application:

(a) Application transmittal form.

(b) Fee transmittal form.

(c) Title of the Invention.

(d) Cross Reference to related applications (if any).

(e) Statement of federally sponsored research/development (if any).

(f) Reference to a microfiche appendix (if any).

(g) Background of the Invention.

(h) Brief Summary of the Invention.

(i) Brief description of the several views of the drawing (if any).

(j) Detailed Description of the Invention.

(k) Claim or claims.

(l) Abstract of the disclosure.

(m) Drawings (if any).

(n) Executed oath or declaration.

(o) Sequence listing (if any).

(p) Plant Color Coding Sheet (applicable in plant patent applications).

The specification must include a written description of the invention and of the manner and process of making and using it, and is required to be in such full, clear, concise, and exact terms as to enable any person skilled in the technological area to which the invention pertains, or with which it is most nearly connected, to make and use the same.

The specification must set forth the precise invention for which a patent is solicited, in such manner as to distinguish it from other inventions and from what is old. It must describe completely a specific embodiment of the process, machine, manufacture, composition of matter, or improvement invented, and must explain the mode of operation or principle whenever applicable. The best mode contemplated by the inventor for carrying out the invention must be set forth.

53

Positioning the drawings, as listed, after the Abstract and claims,out of order with any descriptions, would not provide any continuity of understanding. As a consultant d dicated to simplicity with completeness, I felt my presentation, with a slight change in order, would fill these needs, with a minimum of effort by all concerned, with a better recognition of the definition of drawings required. Accepting these steps should fit into the Examiner's prerogatives.......... ..

54